

Message Text

UNCLASSIFIED

PAGE 01 BUDAPE 00895 011020Z
ACTION EUR-12

INFO OCT-01 EA-12 NEA-10 ISO-00 SP-02 USIA-15 AID-05
EB-08 NSC-05 TRSE-00 SS-15 STR-07 OMB-01 CEA-01
L-03 H-02 PA-02 CIAE-00 INR-10 NSAE-00 COME-00
FRB-01 /112 W

-----072956 011538Z /53

R 010658Z MAR 78
FM AMEMBASSY BUDAPEST
TO SECSTATE WASHDC 818
INFO AMEMBASSY LONDON
AMEMBASSY TOKYO
AMEMBASSY TEHRAN
AMEMBASSY KUWAIT
QUAMBI/AMEMBASSY ABU DHABI 003
AMEMBASSY BERLIN
AMEMBASSY BUCHAREST
AMCONSUL FRANKFURT
AMEMBASSY MOSCOW
USMISSION USNATO
AMEMBASSY PRAGUE
AMEMBASSY SOFIA
AMEMBASSY WARSAW

UNCLAS BUDAPEST 0895

E.O. 11652: N/A
TAGS: EFIN, HU
SUBJECT: NEW HUNGARIAN LOAN TAPS ARAB AND ASIAN MONEY DIRECTLY

1. THE NATIONAL BANK OF HUNGARY (NBH) FEBRUARY 10 SIGNED
A \$100 MILLION LOAN AGREEMENT
IN LONDON WITH A GROUP OF
ASIAN BANKS. AN NBH OFFICIAL HAS CONFIRMED TO THE
EMBASSY THAT THE DETAILS OF THE LOAN ARE AS REPORTED IN
EASTWEST MARKETS ON FEBRUARY 6. THE LOAN IS FOR SEVEN
YEARS AT ONE PERCENT OVER LIBOR. THE ABU DHABI INVESTMENT
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CO. IS LEAD MANAGER FOR THE LOAN; COMANAGERS ARE: BANK
OF TOKYO, NIPPON CREDIT BANK, KOGIN INTERNATIONAL
(SUBSIDIARY OF INDUSTRIAL BANK OF JAPAN), UBAF, ARAB
AND MORGAN GRENFELL FINANCING CO., IRANIAN OVERSEAS
INVESTMENT CO., AND KUWAIT INVESTMENT CO.

2. NBH OFFICIAL COMMENTED THAT THE INTEREST RATE

IS NOT VERY FAVORABLE COMPARED TO OTHER RECENT CEMA
COUNTRY BORROWINGS, BUT THAT THE LOAN HAD BEEN AGREED
IN PRINCIPLE IN NOVEMBER, 1977, WHEN INTEREST RATES WERE
HIGHER. NBH HAD FELT OBLIGED TO GO AHEAD WITH THIS RATE
AS MATTER OF HONOR.
WILGIS

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MONEY, AGREEMENTS, LOANS, CAPITAL FLOWS
Control Number: n/a
Copy: SINGLE
Draft Date: 01 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978BUDAPE00895
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780093-1196
Format: TEL
From: BUDAPEST
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197803121/aaaadyvd.tel
Line Count: 68
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 7dd2d1ba-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 23 feb 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3161390
Secure: OPEN
Status: NATIVE
Subject: NEW HUNGARIAN LOAN TAPS ARAB AND ASIAN MONEY DIRECTLY
TAGS: EFIN, HU
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/7dd2d1ba-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
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